

# The IR Journal

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## 1999 Training Symposium

### "Best Yet"

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### *"Outstanding Conference and Training Event, best to date." says The Auditor General*

**Mr. Gene Reardon**, The Auditor General, was very pleased to be a part of this year's IR Training Symposium and was able to spend the first two days with the IR community at the site. In addition to his outstanding and very well received presentation on the future of Army auditing, Mr. Reardon sat in on other plenary sessions. *"Every Commander should make sure their Internal Review personnel attend in the future."* He stated.

Ask anyone of the 370 plus attendees and you'll hear the same thing - Wow! An agenda filled with meaningful subjects and speakers and an outstanding location made this year's IR Training Symposium the best yet. The Honorable Helen T. McCoy, Assistant Secretary of the Army (Financial Management and Comptroller) delivered a keynote address that painted a vivid picture of the Army 2010 and Beyond. She was followed by plenary sessions that built on this theme and served to focus attention on the need for strategic planning, flexibility and continuing education. The Auditor General of the Army described his perspective of auditing in the Army in the future and Mr. Thomas Bachman, Deputy Auditor General for Operations, US Air Force Audit Agency painted a similar picture for our sister service. **Mr. Ernie Gregory**, Deputy Assistant Secretary of the Army for Financial Operations summed it up this way - *"The symposium was a great opportunity to provide excellent professional training to critically important Army analysts in a \* \* \* \* star environment at a \* price. Nobody can beat that!"*

**Mr. Matt Reres**, Deputy General Counsel for Fiscal Law and Ethics, delivered an excellent talk at the Annual Awards Banquet. It was both very entertaining and thought provoking. Mr. Reres was followed by the annual recognition of award winners. Mr. Gregory handed out the awards as **Ms. Karen Wolff**, Director, Financial Reporting and Internal Review, called up the winners with their commander or command representative. The list of winners was announced in the June edition of *The IR Journal*. The only "surprised" winner was **Mr. Archie Ford**, IR Director AMC, who won the prestigious Editor's Award for the best contribution to *The IR Journal*.

Everyone raved about the hospitality and surroundings provided by Marriott's Camelback Inn. If you had to deal with the hotel staff, you quickly understood how they achieve and maintain their five star rating. For the symposium, they not only took care of every need; they anticipated them in advance. Due to the outstanding nature of their service, the FY00 IR Training Symposium will return to Marriott's Camelback Inn. The dates for next year's event will be 21-25 August 2000. The lodging rate will be that established for Scottsdale, AZ for August. For planning purposes, it's currently set at \$56 (plus applicable taxes).

The agenda for next year's symposium is already under construction! Please contact Bob Barnhart ([barnhrw@hqda.army.mil](mailto:barnhrw@hqda.army.mil)) if you have an idea for a speaker or subject for next year.

*"Statistics are like lampposts: they are good to lean on, but they don't shed much light."*

**Storm P (Robert Storm-Petersen), 1882-1946, Danish black-and-white artist**

## *General Eric Shinseki Sets Army Course*

Intent of the Chief of Staff, Army  
23 June 1999

America's Army places soldiers on point in a dangerous world because they are the surest signs of the commitment of the Nation. Our non-negotiable contract with the American people is to be a warfighting Army - persuasive in peace, invincible in war. Therefore, my overarching goal as CSA must be to provide the leadership, grounded in a vision for the future, to keep this Army the preeminent land warfighting force in the world. We will aspire to be the most esteemed institution in the Nation, the most respected Army in the world, and the most feared ground force to those whose actions would threaten the vital interests of the United States.

Objectives for achieving this goal that will receive my personal attention are:

- . Increasing strategic responsiveness.
- . Developing a clear long-term strategy to improve operational jointness and to implement the goals of Joint Vision 2010.
- . Developing leaders for joint warfighting as well as change.
- . Completing the full integration of the Active and Reserve components.
- . Manning our warfighting units.
- . Providing for the well-being of soldiers, civilians, and family members.

The world situation demands an Army that is strategically responsive. The Army's core competency remains fighting and winning our Nation's wars; however, the Army must also be capable of operating throughout the range of conflict -- to include low intensity operations and countering asymmetric threats. It must, therefore, be more versatile, agile, lethal, and survivable.

It must be able to provide early entry forces that can operate jointly, without access to fixed forward bases, and still have the power to slug it out and win campaigns decisively. At this point in our march through history, our heavy forces are too heavy and our light forces lack staying power. Heavy forces must be more strategically deployable and more agile with a smaller logistical footprint, and light forces must be more lethal, survivable, and tactically mobile. Achieving this paradigm will require innovative thinking about structure, modernization efforts, and spending.

We will develop a consistent, clearly stated strategy for the long term that embraces a commitment to joint operations - and by extension multinational operations - that will be reflected in our approach to doctrine, modernization, training, and experimentation; we will be the leader in joint mission readiness and interoperability. The strategy must coherently integrate funding, organization, and leader development to ensure that we can defeat future threats. We will resource research, development, and experimentation so as to support the strategy and tackle the tough organizational changes it dictates. As part of the strategy, we will continue the development of new concepts to meet the National Strategies and in anticipation of emerging threats. We will subject them to rigorous analysis and experimentation that will inform our future decisions such as we are doing with the Strike Force concept.

The development of bold, innovative leaders of character and competence is fundamental to the long-term health of the Army. We must grow leaders - NCOs, officers, and civilians - for the future by providing appropriate opportunities for the development of those skilled in the profession of warfighting as well as those with the experience and intellect to be agents of change. We must encourage leaders to seek assignments where they can best leverage their knowledge and talents for the benefit of the Army. Moreover, the selection of senior leaders will be based on their joint warfighting abilities, leadership, and capacity for innovation and change.

We are The Army - totally integrated into a oneness of purpose - no longer the Total Army, no longer the One Army. We are The Army, and we will march into the 21st Century as The Army. We acknowledge the components and their varying organizational strengths. We will work to structure The Army accordingly.

Manning the force is an urgent priority. We will work to connect to America in such a manner that the youth of this country find service in the Army important, meaningful, satisfying, rewarding, and productive. We will fill our combat formations, train them to warfighting standards, and hone their precision at an operating tempo that keeps them sharp while maintaining the strengths of family and community. By doing so, our formations will combine the proficiency, stability, trust, and cohesion to make them unbeatable in any contest of wills. If, after we have structured for the tasks we must be ready to perform, we find ourselves short of formations to accomplish assigned missions, I am prepared to argue for increases in both structure and end strength with the confidence that I will be able to gain the support of the Defense leadership.

The Army's readiness is inextricably linked to the well-being of its people. Our success depends on the whole team - our soldiers, civilians, veterans, and their family members - all of

whom serve the Nation. We make the most significant investment in the Nation's security by properly training, equipping, and supporting them. We must strive to provide adequate housing, schools, medical care and dental care with a quality and access comparable to society at large. Strategic responsiveness requires that our support structures provide soldiers and families the resources to be self-reliant both when the force is deployed and when it is at home station. When we deploy, our soldiers should know that their families are safe, housed, and have access to medical care, community services, and educational opportunities. As stated in JV 2010, "...the judgment, creativity, and fortitude of our people will remain the key to success."

Finally, we are and we will remain a values-based institution where loyalty, duty, respect, selfless service, honor, integrity, and personal courage are the cornerstone of all that we do today and all of our future successes. Our soldiers, who exemplify these values every day, are the best in the world; they voluntarily forego comfort and wealth, face hardship and sacrifice, confront danger and sometimes death in defense of the Nation. We owe them our tireless efforts, our professional excellence, and our principled commitment to ensure that they remain the world's finest land force for the next crisis, the next war, and an uncertain future.

/s/

ERIC K. SHINSEKI  
General, United States Army  
Chief of Staff

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*"Sacred cows make the best hamburger."*

- - Mark Twain

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## ***QUI TAM????***

*By Mr. Fred Carballo, IR Director, USARPAC*

The war against fraud is on!! Qui tam may be the weapon that takes us to victory. So, what is Qui tam? First of all, this is a term the IR Community should become very familiar with. Second, qui tam actions, commonly known as whistleblower suits, are actions filed by private parties on behalf of the United States under the civil False Claims Act (FCA) 31 U.S.C. 3729-3733. Not only does the FCA establish liability for any person who commits fraud against the government, it also provides a substantial remedy—three times the government damages plus a \$5,000 to \$10,000 civil penalty for each false claim presented. The plaintiff or “relator” in a successful case can collect up to 30 percent of the Government’s recovery in the action.

During the past three years, I have worked with the Assistant United States Attorney (AUSA) for Honolulu on three qui tam cases involving Army contractors. As a result of coordinated efforts by command’s legal staff, Criminal Investigative Command (CID), Defense Criminal Investigative Service (DCIS), Army Audit Agency, and command’s Internal Review

Office, each of the cases were settled in favor of the Government. The settlements ranged from \$300,000 to \$3.7 million. Although the plaintiff was first to receive payment from the funds recovered from the contractors, payments were made to command to cover losses incurred as a result of the false claims. Additionally, through negotiations I initiated with the AUSA, agreements were reached whereby costs incurred by the auditors to support the investigation were reimbursed out of the funds recovered from the settlement. Not a bad deal!!

The purpose of this article is to bring awareness of qui tam provisions to the IR community. Hopefully, with this awareness, more IR offices will get involved in qui tam actions. I encourage you to coordinate with your Staff Judge Advocate and AUSA having responsibility Affirmative Civil Enforcement (ACE) for your state to ensure that they know you are interested in providing audit support to qui tam actions. An ACE exists in all United States Attorneys' Offices.

If you would like to get more details on the type of fraud involved in the three qui tam cases mentioned above, please call me at DSN 315 438-8973.

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*"We are just an advanced breed of monkeys on a minor planet of a very average star. But we can understand the Universe. That makes us something very special."*

- - Stephen Hawking

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## ***DoD Y2K Commander's Preparedness Handbook***

*Submitted by Mr. Archie Ford, IR Director, AMC*

The DoD Y2K Commander's Preparedness Handbook is a new publication, now available from the OASD C3I DoD Y2K Contingency Planning Website.

The DoD Y2K Commander's Preparedness Handbook is a joint product of the Operations and Contingency Planning directorates and provides a process by which a command at any echelon can conduct an assessment of its vulnerability to infrastructure disruptions and then use that assessment to develop a viable contingency plan in support of its need to provide basic services to that installation or site. The handbook is also useful for assessing existing plans to determine their adequacy and viability with respect to potential Y2K-related disruptions of the infrastructure. The handbook is particularly recommended for OCONUS installations and sites due to the relatively higher risk of infrastructure failure that may occur in those locations.

To download this document in Microsoft Word format, go to the DoD Y2K Contingency Planning area at [http://www.c3i.osd.mil/org/cio/y2k/y2k\\_con\\_plan](http://www.c3i.osd.mil/org/cio/y2k/y2k_con_plan)

<[http://www.c3i.osd.mil/org/cio/y2k/y2k\\_con\\_plan](http://www.c3i.osd.mil/org/cio/y2k/y2k_con_plan)> and under Documents, select DoD Commander's Y2K Preparedness Handbook, Version 1.0 (.doc format).

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*"The art of progress is to preserve order amid change and to preserve change amid order."*

- - Alfred North Whitehead

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## ***Revised Definition Mirrors World-class Internal Auditing Practices***

**ALTAMONTE SPRINGS, FL--** A revised definition of internal auditing was recently approved by The Institute of Internal Auditors (IIA) Board of Directors. This new definition clearly reflects the dramatic changes that have occurred in the profession over the past decade. It describes the services that forward-moving, visionary auditing departments are currently providing. The new definition, developed by The IIA's Guidance Task Force and Internal Auditing Standards Board with input from IIA members around the world:

***Internal auditing is an independent, objective, assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve effectiveness of risk management, control, and governance processes.***

As contrasted with primarily financial and compliance-oriented auditing of the past, today's internal auditing is vibrant, diverse, and broad-based. It serves as a proactive, value-added management function that embraces a multitude of responsibilities. Internal auditing is vital to the organization in its role of protecting shareholder value by delivering accurate and reliable information and service to management, the board, and the audit committee.

This new definition provides the basis or "term of reference" for a new *Professional Practices Framework*, which also was approved by the Board. The inclusion of the terms *assurance* and *consulting* reflects the broadened practice of today's internal auditing as recognized in various research studies. "The new definition also recognizes the added significance of corporate governance around the world and the importance of internal controls in risk management," says IIA President William G. Bishop III, CIA. "Acknowledgement of these factors in the definition demonstrates internal auditing's role in identifying risks and providing assurance about the effectiveness of the control structure to stakeholders."

The approved *Framework for the Professional Practice of Internal Auditing* consists of components that apply to both assurance and consulting services. The *Definition* establishes the



boundaries of the profession. The *Code of Ethics* represents the profession's conscience and calls for self-discipline and behavior that goes beyond that required by laws or regulations. The *Standards* are currently under revision, and The IIA anticipates developing additional standards and guidance in new areas.

Together, the new definition and *Framework* provide a set of building blocks that will enable The IIA and the internal auditing profession to move forward with professional guidance that reflects, and will be invaluable to, contemporary internal auditing practices," says Bishop.

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*"Do not impose on others what you yourself do not desire."*

- - Confucius

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## ***Y2K Backup Strategies***

*Submitted by Mr. Archie Ford, IR Director, AMC*

The following article comes from the August AUDIT VISION E-mail Newsletter.

The Y2K project has forced many organizations to validate the controls, which they have in place. Since the likelihood of processing failures increases based on the Y2K problem, the need to restore previous versions of files to rerun processing increases.

Fortunately, the millennium falls on a weekend whereby a full backup of files would have occurred prior to processing in the new millennium. However, since the likelihood of failure increases at other timeframes such as leap year and critical business dates which process Y2K dates for the first time, they might occur during the week day where full backups are not taken the previous night. The exceptions are small client/server systems that may be performing full data backups each night. However, in the mainframe environment, the weekday backups consist of incremental backups or application initiated backups of files. If application initiated backups are relied on during the weekday, then it is critical for the auditor to perform review to determine whether a backup process exists for all permanent files which are critical to the application. If a new system or enhancement is rolled out, a process needs to exist to ensure that the files are added to backup stream. The timing of the backup is also critical since it must occur at a specific time period that reflects the processing period in which an entire application is being restored. This is referred to as the "synch point" which is typically the last time that a file is updated within a processing period.

One objective during a disaster recovery test is to determine whether the application backups are working properly. One obvious problem is when files are missing. Unfortunately the detection as to whether the backup occurred at the correct synch point is not tested because it would require a reconciliation of data to what was actually process on the production system which is never performed during a disaster recovery test.

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*"This 'telephone' has too many shortcomings to be seriously considered as a means of communication. The device is inherently of no value to us."*

- - Western Union internal memo, 1876

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## *Obligation of Travel and Per Diem Funds*

*Submitted by Mr. Mike Garcia, Auditor, ORNG*

The Oregon National Guard Internal Review office recently completed an audit that produced some startling results. The audit's focus was on the Request for Orders (RFO) program using Automated Funds Control and Orders System (AFCOS). The auditors noted that program managers were not always entering estimated costs of travel and per diem at the time of input. As a result, travel and per diem costs were not obligated until disbursements were made. This practice created the potential for over expenditure and anti-deficiency violations.

The Oregon National Guard auditors found that during FY 98, over \$244,000 in travel and per diem costs were not obligated during the RFO process. Auditors found several accounts whose travel and per diem costs were well understated and close to anti-deficiency. Based on this information, they concluded that the RFO program creates orders for TDY regardless of the amount obligated for travel and transportation expenses.

As a solution, the auditors requested the assistance of their local Data Processing Center in writing a simple edit of RFO output to ensure travel costs were included. As an example, if the RFO indicated "Transportation Request" as the mode of travel, an edit required an obligation for transportation and/or per diem. When orders failed this edit, the AFCOS System Administrator and State Training Officer were automatically contacted via E-mail. The order was processed as soon as the funds manager entered travel and per diem costs. This led to a significant reduction in orders without proper obligation of travel and per diem expenses. With the current GTS vendor unable to bill for airline tickets since January 1999, this action has enabled the ORARNG to avoid a significant opportunity for anti-deficiency by ensuring valid obligations are in place.

Oregon recommends that all states review obligations of travel and per diem expenses for orders produced using the RFO process.

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*"Its better to know some of the questions, than all of the answers."*

- - James Thurber

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## *Fort McClellan Closes*

The missions of the Chemical School and Military Police School have been transferred to Fort Leonard Wood, Missouri. The DOD Polygraph School has moved to Fort Jackson, South Carolina. Fort McClellan officially closes on 30 Sep 99.

Published by ASA(FM&C)

September 1999



**Mr. Dane White**, Chief, IRAC, accepted a job offer at Anniston Army Depot as a Program Analyst. He reports to his new job on 29 August 99. **Ms. Josephine McKinney**, Senior Auditor, plans to relax at home beginning in October 99 - taking a deferred retirement.

*"I saw a tree fall in the woods, and I didn't hear it."*

- - Steven Wright

## ***Agencies Banned From Buying Incidentals***

*Submitted by Mr. Archie Ford, IR Director, AMC*

A ruling last month by the comptroller general that made illegal a widely used method for buying products that are not listed on the General Services Administration schedule could change the way government agencies go about making purchases, according to procurement specialists.

Many federal agencies have depended upon the ability to buy so-called incidental items that are not listed on the GSA schedule from vendors when vendors are awarded contracts, said Carl Peckinpugh, a member of the government contracts section of the law firm Winston & Strawn and a columnist for Federal Computer Week. For example, when an agency would award a vendor a contract for computers that are listed on the schedule, the agency would then buy cables for the computer from the same vendor, even if the cables were not on the schedule.

Although a 1997 U.S. Federal Claims Court decision ruled that the practice was illegal, the ruling largely was ignored by agencies because the court's jurisdiction over procurement matters was considered limited by many agencies, Peckinpugh said.

The July 15 comptroller general decision came about after San Diego-based Pyxis Corp. complained that a competing software company, OmniCell Technologies Inc., Palo Alto, Calif., illegally had been selling to the U.S. Army Medical Command items that were not on the GSA schedule. The comptroller general supported the Pyxis' protest.

The comptroller general's decision probably will speak more powerfully to agency procurement specialists, said Helen Hurcombe, deputy associate commissioner for acquisitions and grants for the Social Security Administration. "I think it's sending a message," she said. "I think that the usage of schedules has increased tremendously as a result of the way [GSA] has changed, and as a result, you have the potential for more abuse." Hurcombe said she was aware of the comptroller general's decision and the court decision, and she said SSA began moving away from making incidental purchases several years ago. "We kind of anticipated this was going to be an issue, so we had always competed the nonschedule items, or we had the schedule vendor get the nonvendor items on GSA. We try to stick with the regulations as much as we can," Hurcombe said.

Larry Allen, executive director of the Washington, D.C.-based Coalition for Government Procurement, said he has mixed feelings about the ruling. On the one hand, he said, incidentals were commonly used and have been a "huge convenience for customers," and if agencies opt to stop the practice it will add "more hurdles to the process." But on the other hand, all the decision does is tell agencies to follow existing procurement law, Allen said. The 1997 court case is widely regarded as bad case law, and as a result, it was largely ignored, he said. The new ruling

may change that, Allen said. But while the decision may slow down procurement, Allen said, "I don't anticipate it will have a sea-change effect."

Vicki Reath, a spokeswoman for GSA, said, "We don't engage in speculation," when asked what effect the ruling would have on procurement. She said GSA would not comment on the matter further.

Several procurement officials throughout government were unaware of the ruling, and declined to comment. But Arlyce Dubbin, director of acquisition operations and analysis service for the Department of Veterans Affairs, said the agency has stayed on top of the issue at least since the 1997 court ruling. "With VA, the impact would be minimal because we were not buying items off-schedule," she said. "We pretty much interpret it that if it's on schedule, we can buy it, and if it's not on schedule, we can't."

(**Federal Computer Week**, August 9, 1999, author Doug Brown.)

*"Don't SAY things. What you ARE stands over you the while, and thunders so that I cannot hear what you say to the contrary."*

**-- Ralph Waldo Emerson**

## *What's New Department*

### *"AuditNet.com"*

Have you heard about AuditNet.Com yet? If not, we would advise you to visit the site and check it out. The Web site is dedicated to *"electronic progress through sharing"* for the global audit community, created by Jim Kaplan, hosted by The IIA and integrated into ITAudit.org. They have sections covering - AuditNet Links, Audit Programs, Audit Resources, and Audit Travel Link just to name a few. Well, let's let them describe it to you -

#### **What is AuditNet?**

"Here you will find information links, tools and resources developed for the benefit of the Audit Profession by Jim Kaplan, an Internet Audit pioneer and the founder of AuditNet. The Internet is a viable tool for auditors who know how to locate and tap into the various resources. This site represents the on-ramp to online audit resources. Auditors needing a roadmap for the auditbahn journey can find it in *The Auditor's Guide to Internet Resources*."

"AuditNet, an Award Winning Web site, was developed by Jim Kaplan, CIA, CFE, CSM, audit practitioner, business journalist, and author of the IIA's *The Auditor's Guide to Internet Resources*. Member IIA, NALGA, NACFE."

## Fraud Site

Another web site that you may want to visit is the Fraud and Corruption Site established by the U.S. Agency for International Development (USAID). It features a good bit of information on fraud, accountability, and financial management. It also has numerous links to other similar sites. The web address is - <http://www.respondanet.com/english/index.htm>

## Y2K Edgy? OPM Offers Assurances

*Submitted by Mr. Archie Ford, IR Director, AMC*

The Office of Personnel Management is assuring federal employees and annuitants that they will receive their benefit payments on time and that their benefits are not in jeopardy. FEDweek has put together a brief report on OPM's Y2K preparations (visit <http://www.fedweek.com>, click on "Hot Free Info"), including information on overall Y2K compliance, health and life insurance, and information for retirees. As always, please feel free to read, print out and distribute.

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*"Computers make it easier to do a lot of things, but most of the things they make it easier to do don't need to be done."*

- - Andy Rooney

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## True or False?

*Oliver Wendell Holmes and Earl Warren are former Chief Justices of the Supreme Court?*

(Answer on Page 21)

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*"'Mister Mediocre' Restaurants":*

*"The basic menu item, in fact the ONLY menu item, would be a food unit called the 'patty,' consisting of--this would be guaranteed in writing--'100 percent animal matter of some kind.' All patties would be heated up and then cooled back down in electronic devices immediately before serving. The Breakfast Patty would be a patty on a bun with lettuce, tomato, onion, egg, Ba-Ko-Bits, Cheez Whiz, a Special Sauce made by pouring ketchup out of a bottle and a little slip of paper stating: 'Inspected by Number 12'. The Lunch or Dinner Patty would be any Breakfast Patties that didn't get sold in the morning. The Seafood Lover's Patty would be any patties that were starting to emit a serious aroma. Patties that were too rank even to be Seafood Lover's Patties would be compressed into wads and sold as 'Nuggets.'"*

- - Dave Barry

## *Mr. Walter Kent Retires*

Two of the spryest octogenarians you'll ever meet are Mr. Walter Kent and his wife, Theo. If you can't find them home in the evening, you should check the local dance halls. As of August 28, 1999, Walt and Theo won't have to come home too early during the week any more for on that date, Walt became a man of leisure - he retired. A brief biographical sketch of Walt's distinguished career follows. A good man - Walt will be missed by the IR Community and the Army.

Mr. Walter Kent was the Supervisory Auditor (GS-13), Internal Review and Audit Compliance Office at Pine Bluff Arsenal, Pine Bluff, Arkansas, since 17 July 1988. Prior to that he was the Chief, Internal Review and Audit Compliance Office (GS-12), at Pine Bluff Arsenal since 27 May 1980.

From 11 Apr 75 to 27 May 1980, Mr. Kent was a GS-13, Staff Auditor, at HQ, Army Materiel Command (AMC) Internal Review and Audit Compliance Office. He was a GS-12, Staff Auditor, at HQ, AMC, from 26 Sep 73 to 11 Apr 75.

Mr. Kent transferred to AMC from HQ, Berlin, Germany, where he had been the Supervisory Auditor, Internal Review Branch, Office of the Comptroller, from 14 Dec 68 to 25 Sept 73. Prior to that he was the Chief (GS-11), Internal Control Branch, Office of the Comptroller, HQ, Berlin from 14 Dec 67 to 14 Dec 68.

Mr. Kent joined the Civil Service on 10 Sep 64 when he was the Chief (GS-09), Stock Fund Accounting, until 14 Dec 67, when he transferred to Germany.

Prior to joining the Civil Service, Mr. Kent had been the Comptroller with Golden Bell Press in Denver, CO., from Jan 52 to Sep 64. From Aug 46 to Aug 49, Mr. Kent was an auditor with a Denver CPA firm.

Mr. Kent served in the U.S. Army Air Corp as an Acting Supply Sergeant and as an Assistant to the Air Inspector from Sep 42 to Apr 46. During this period he was sent to Europe and went into occupied Berlin.

From Mar 42 to Sep 42, he was a cost accountant with Continental Oil in Oklahoma. From 1941 until he went to Germany in 1967, Mr. Kent was a Public Accountant and operated his own accounting/tax service business.

His service computation date is 1-22-61 so that on 28 Aug 99, he had 38 years and 7 months of actual service. After his accumulated sick leave was added on, he retired with 39 years and 10 months credit.

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*"In all things it is a good idea to hang a question mark now and then on the things we have taken for granted."*

**- - Bertrand Russell**

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## ***IR Steering Group Meets***

As is customary, the Army Internal Review Steering Group (IRSG) met just prior to this year's IR Training Symposium. The Marriott's Camelback Inn provided the meeting room and their usual outstanding hospitality. In attendance were: **Ms. Karen Wolff, Mr. Walt Morrison, Mr. Frank Bono; Mr. Frank Slayton, Mr. Rohm Thompson, Mr. Evelyn Wang (representing Mr. Bill Whanger), Mr. Bob Barnhart, Mr. Fred Carballo, Mr. Bill Check, and Mr. Bill O'Hare.** Unable to attend were **Mr. John Templeton, Ms. Barbara Adcox, Mr. Ted Wendell, and Mr. Bill Whanger.**

### **OLD BUSINESS**

Old Business included briefings on several working Process Action Teams. **Mr. Bob Barnhart** presented a quick update on the Direct Time results developed at the last IRSG meeting. The definitions for direct time reporting will be incorporated into semi-annual reporting.

**Mr. Frank Slayton**, chairman of the Generic Auditable Entity File PAT, presented an overview of his team's work. This included providing IRSG members with computer disks containing a Beta Test of the developed file. Frank provided a short tutorial on using the file. The Beta Test will be ongoing for several months.

**Mr. Frank Bono** presented the initial results from his Benefits PAT. His team favors including 'non-monetary' benefits on semi-annual reports. The PAT's conclusions have been sent to the field for comments. Suspense for comments is 20 September 1999. Subsequently, the final results will be forwarded to HQDA for approval and incorporation into both the IR Guide on the Web and semi-annual reporting.

Old Business concluded with a discussion of Incorporating Army Official Position (IOAP) problems and concerns to raise with The Auditor General who was scheduled to visit with the group the next day.

### **NEW BUSINESS**

New Business consisted of a presentation on the new Joint Auditor Training Advisory Committee (JATAC) that has been chartered by **Mr. Gene Reardon**, The Auditor General, and **Mr. Ernie Gregory**, DASA (FO). The purpose of the JATAC is to "support The Auditor General in establishing and maintaining a highly professional, effective and cost efficient training program for all Army auditors." The objectives of the JATAC are to: 1) Identify training needs of Army auditors; 2) Identify sources for auditor training; 3) Develop curriculums for USAAA/IR conducted courses; and 4) Review conducted/sponsored courses to ensure quality and cost effectiveness. The initial meeting of the JATAC will occur just after the beginning of the new fiscal year. Membership on the JATAC will include the following:

Program Director, Planning and Resource Management, USAAA - Co-Chair (Perm)

Director, Financial Reporting and Internal Review, OASA (FM&C) - Co-Chair (Perm)  
 Director, NGK-IR (Perm)  
 Director, USAR IR (Perm)  
 Training Officer, SAFM-FOI (Perm)  
 Army MACOM IR Representatives (2) (Rotational)  
 USAAA Training Branch Representatives (3) (Permanent)

**Mr. Frank Slayton**, IR Director, TRADOC, reminded members of the Army's web-based Microsoft® software training. Any military or civilian member of the Army can sign up for the training on MS Office, JAVA, or other training. Best of all - it's free!

**Mr. Bill Check**, IR Director, CFSC, updated the committee on Morale, Welfare and Recreation (MWR) issues. AR 11-7 is being looked at to ensure it adequately covers auditors hired locally and dedicated to NAF operations. A policy framework needs to be created that will enable these auditors to meet Comptroller General standards. The committee recognizes the need for additional auditors at sites where MWR generates in excess of \$10M annually. This issue stems from a recommendation made by USAAA in their MWR Reengineering Overhead audit report.

Mr. Check informed the IRSG that USAAA is scheduled to perform the following MWR audits in 2000: DFAS Payroll; Lodging Success Program. The IRSG recommended that the Audit Committee, MWR Board of Directors Executive Committee, consider including Bingo Operations and Sales Accountability for the FY01 USAAA audit program.

**Mr. Bill O'Hare**, IR Director, ASC, briefed the IRSG on the joint Telecommunications Audit he is heading up. The joint team has completed audits at Forts Lewis, Riley, and Leavenworth. These audits have resulted in savings of \$922,000 for the local commanders. Currently the team is doing business by state. They're in Georgia now doing Forts Stewart and Gordon and will eventually do Fort Benning. Savings have resulted from overcharges, discontinuance of unnecessary lines, and cancellation of unnecessary services.

On the afternoon of the 20<sup>th</sup>, the IRSG met with **Mr. Gene Reardon**, The Auditor General. Mr. Reardon discussed the IOAP and problems with its application. He received feedback from the IRSG members. A cordial discussion of other problems, ideas, and working relationships followed. Both Mr. Reardon and the committee were very pleased with the session. Ms. Karen Wolff, Director, Financial Reporting and Internal Review, thanked Mr. Reardon for taking the time out of his schedule to visit with the IRSG and to participate in the 1999 IR Training Symposium. She also invited Mr. Reardon to visit future IRSG meetings.

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*"The Queen is most anxious to enlist everyone in checking this mad, wicked folly of  
 ``Women's Rights.'' It is a subject which makes the Queen so furious that she cannot contain  
 herself."*

**- - Queen Victoria**

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## *The Training Corner*

by Ms. Michelle Doyle

FY 2000 course dates for USAAA sponsored/conducted schools have yet to be announced.

See *IR Steering Group Meets* article, above, for information on the Joint Auditor Training Advisory Committee (JATAC). It is scheduled to meet 1300-1600, 22 Sep 1999, at USAAA Operations Center, Park Center, Alexandria, VA.

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As you prepare your FY 00 performance objectives and training requirements, the following Professional Development Opportunities Course/Program dates/ideas may be helpful:

Professional Resource Management Course (PRMC)

00-I Oct 18 -- Nov 12

00-II Jan 24 -- Feb 18

00 -III Mar 13 -- Apr 7

Professional Military Comptroller School (PMCS)

00 - A Oct 12 --Nov 19

00 - B Jan 24 -- Mar 3

00 - C Apr 3 -- May 12

00 - D Jun 12 -- Jul 21

00 - E Aug 7 -- Sep 15

Army Comptrollership Program (Jun 00 --- Aug 01)

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*There's a helluva distance between wisecracking and wit. Wit has truth in it; wisecracking is simply calisthenics with words.*

**--Dorothy Parker**

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# ***INTERNAL REVIEW MOVES INTO THE DISTRIBUTIVE LEARNING (DL) ARENA***

*Submitted by Mr. Frank Hayes, USAR IR*

The USAR Internal Review (IR) Training Process Action Team (PAT), headed by Mr. Frank Hayes, took the first steps towards DL for the USAR IR Community. In August, the Army Reserve Readiness Training Center (ARRTC) initiated and completed the Auditor Orientation package that rests on the USARC Intranet. This training is an introduction to Army auditing and familiarizes new Auditors with the Army IR mission and the Government Auditing Standards.

The ARRTC, as the USAR's DL Center, is currently assisting with other initiatives requested by the Training PAT which include:

- A CD-ROM on the Management Control Process. Expected for distribution this fall, this CD-ROM will enable Management Control Administrators to brief new and existing Assessable Unit Managers on the fine points of management controls right at their own worksite.
- An Auditor Survival Kit which is designed to give auditors helpful hints, tips, references and basic "how to" guidance, and examples of tasks or processes. This will become a bound text and eventually rest on the USARC Intranet.

In the near future ARRTC will host and provide connectivity for the USAR Mobile Training Team (MTT) as they conduct their specialized training via net meeting. When established, this initiative will enable you, the customer, to receive training via your workstation computer saving you travel time and dollars.

For additional information on these or future DL initiatives for the IR Community, contact LTC Donna Holbrook, USAR Training PAT Leader, at (404) 464-8183.

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*"Sometimes being pushed to the wall gives you the momentum necessary to get over it!"*

**- - Peter de Jager**

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## ***American Society For Military Comptrollers PDI 2000 News***

*Submitted by William J. Hemberger, IR Chief, CECOM*

The plans for the National ASMC PDI 2000 are on-going. The Committee had its first kick-off meeting in Philadelphia, PA, on 15 July 1999, at the Marriott Hotel (12th and Market Streets). This hotel will be the Headquarters Hotel for the PDI. In attendance were representatives from all five chapters that are supporting the event, along with the key committee

chairs or co-chairs. Also attending were the Executive Director, **LTG (retired) James McCall** and **Jennifer Sizemore**. The contractor support team was also present. All were excited about the facilities and the quality of the speakers being gathered to speak at this PDI. This will be a grate event and will help add credit hours to your continuing education requirements. It is suggested that you visit the web site established for the PDI 2000 at:

<http://www.geocities.com/~pdi-2000/>

If you have any questions regarding this input, contact Jack Cunion on DSN 987-4113 or by e-mail at: [cunion@mail1.monmouth.army.mil](mailto:cunion@mail1.monmouth.army.mil).

(NOTE: Bill Hemberger is Co-Chair for the ASMC PDI.)

## *What Was That?*

*Submitted by BG Mitchell M. Zais, Chief of Staff, USARC*

Occasionally, when reading bad material, this is what I am thinking.

Those of us used to writing technical and business reports know how difficult it can be to use just the right phrase to convey the true depth of your topic. Now, professionals and students alike can seem like etymological geniuses, thanks to the "Systematic Buzz Phrase Projector" created by Phillip Broughton, a U.S. Public Health Service official. Using only 30 carefully chosen buzz words, you can woo your way through any written or oral presentation:

*Column 1*	*Column 2*	*Column 3*
0. integrated	0. management	0. options
1. total	1. organizational	1. flexibility
2. systematized	2. monitored	2. capability
3. parallel	3. reciprocal	3. mobility
4. functional	4. digital	4. programming
5. responsive	5. logistical	5. concept
6. optional	6. transitional	6. time-phase
7. synchronized	7. incremental	7. projection
8. compatible	8. third-generation	8. hardware
9. balanced	9. policy	9. contingency

USAGE: Randomly pick any three-digit number. Now select the corresponding buzzword from each column. For instance, "768" produces "synchronized transitional hardware", or "539" yields "responsive reciprocal contingency", a phrase which can be dropped into any report with the ring of authority. "No one will have any idea what you're talking about," says Broughton, "but they're probably not about to admit it."

## *IR Roundup*

### Awards -

- **Mr. Archie Ford**, IR Director, US Army Materiel Command, won the 1998-99 Editor's Award for submitting the best article to *The IR Journal*. There were an exceptional number of outstanding articles submitted since the last symposium, so Archie should be extremely proud to have his judged the best.
- **Mr. Jaime F. Alvarez** was recently recognized by the 21st TSC (PROV), Commanding General for exceptionally meritorious performance of duties as Chief, IRACO. As a result of his efforts, **MG Mahan** awarded him the Commander's Award For Civilian Service, prior to the CG's departure.
- **Messrs. William Hemberger, John Cunion, Dennis Boreen and John Riley** received performance awards in conjunction with their annual appraisals. All are employees of the CECOM IRAC Office.

### Professionalizing -

- **Mr. Tim Fannin** (CPA in the making) received notification on August 3, 1999, that he had passed the final part of the CPA examination. Tim works in the MEDCOM HQ IR office with a primary focus on the Management Control Process. Congratulations, Tim!

### Promotions –

- **Mr. Ron Carroll** and **Mr. Frank Hayes** of the U.S. Army Reserve Internal Review and Management Control Process Office were promoted to GS-14, effective 18 Jul 99. Way to go guys!
- **Ms. Trina Barnes**, Fort Sam Houston Garrison Internal Review Specialist, was recently selected to fill an auditor position at Fort Sam Houston Garrison Internal Review and Audit Compliance Office. Ms. Barnes' selection for promotion to GS-11 was effective 29 August 1999. Ms. Barnes is no stranger to the IR community. She worked for several years as a secretary in the U.S. Army Health Services Command (now U.S. Army Medical Command) Internal Review and Audit Compliance Office while pursuing her Bachelor of Science Degree in Accounting. She transitioned to Brooke Army Medical Center Internal Review in December 1992 as a GS-503-6 Audit Assistant; during her tenure there she completed her degree. In May 1995, she took a position with Fort Sam Houston Garrison Internal Review as a GS-501-7 Internal Review Specialist; she was promoted in May 1996 to GS-9. In her

most recent assignment, Ms. Barnes moves into the GS-511 series. Congratulations, Trina, on your promotion and on becoming an auditor!

## Hail/Farewell -

- On August 28, 1999, **Mr. Walter Kent**, IR Chief, Pine Bluff Arsenal, AR, retired with over 39 years of service. Walt has been a fixture in the Army's IR community for years. He will be greatly missed. (See article - "*Mr. Walter Kent Retires*")
- **Mrs. Dorothy Bratcher** transferred from Army Audit Agency, San Antonio Field Office to Corpus Christi Army Depot in Corpus Christi, Texas. Dorothy was with AAA 12 years. By this time she is well indoctrinated into the intricacies of Internal Review. What a change!!! Welcome Dorothy.
- With the closing of Fort McClellan, AL, **Mr. Dane White**, Chief, IRAC, accepted a job at Anniston Army Depot as a Program Analyst. He reported to his new job on 29 August 99.
- **Mr. Ron Carroll**, Deputy Director for Audit and Audit Follow-Up, USAR IR&MCP, accepted a position, effective 16 Aug 99, with the Office of the Inspector General, United States Postal Service, Atlanta, GA. Ron had been at the USARC since Apr 93. He has supervised over 230 IR engagements that identified over \$878 million of monetary benefits for the Army Reserve. In addition, he has performed over 20 quality assurance and assistance visits of MSC IR and MCP programs. The Army Reserve and the USAR IR community, in particular, will miss him.
- **Ms. Josephine McKinney**, Senior Auditor, Ft. McClellan, AL, plans to relax at home beginning in October 99 - taking a deferred retirement.
- Headquarters, U.S. Army, Europe, and Seventh Army, Internal Review and Audit Compliance Office, Heidelberg, Germany welcomes three new personnel:
  - **Ms. June Valdez** transferred to HQ USAREUR IRACO from Internal Review and Audit Compliance Office at White Sands Missile Range effective 2 Jul 99. We wish her much luck in her new position in Germany.
  - **Mr. Tom Sievers** transferred to HQ USAREUR IRACO from the Environmental Protection Agency, Seattle, Washington effective 4 Jul 99. Tom had a previous tour in Germany with the USAAA. We welcome him back to the Army community and Germany, and wish him good luck in his new position.
  - **Ms. Susan McCoy** transferred to HQ USAREUR IRACO from the Industrial Operations Command, Rock Island, Illinois effective 29 Aug 99. Susan is no stranger to the Army in Europe having spent previous tours at Mainz Army Depot and at HQ

Army Materiel Command - Europe. Welcome back to Germany and good luck in your new position.

- HQ USAREUR IRACO bids farewell to **Mr. Peter Misch** who left to accept a Management Analyst position with the Army in Korea.
- **Mr. Manfred (Manny) Rorig** of the 88th Regional Support Command, U.S. Army Reserves retired as of 14 Aug 99 after 32 plus years of Federal service. We wish him the best in his new life. He is looking forward to traveling and enjoying his cabin in Western Wisconsin.
- USARSO Command Audit Office welcomes **Mr. Louis A. (Tony) Rodriguez**. Tony comes to CA from the Directorate of Personnel and Community Activities at Ft Buchanan where he was the chief of the Financial Management Division.
- **Mr. Jeffrey Paul Weber** and family were recently hailed as new members of the 21st Theater Support Command (Provisional). He was previously assigned to the command when it was the 21st Theater Army Area Command. It's great to have him back on board!

## Reassignments -

- Effective 16 Aug 99, **Mr. Frank Hayes** was reassigned to the Deputy Director, Audit and Audit Follow-up position within US Army Reserve Internal Review and Management Control Process Office.
- **LTC Donna Holbrook** has been assigned as the Acting Deputy Director, Liaison, MCP, and MSC Program Manager, US Army Reserve Internal Review and Management Control Process Office until a full-time Director can be recruited.

## Vacancies -

- The 22nd Area Support Group (ASG), a subordinate command of U.S. Army, Europe, located at Vicenza, Italy, is recruiting for a GS-0511-12 auditor to serve as Chief, IRACO. Candidates interested in a lateral transfer may apply directly to the 22nd ASG by forwarding a resume, SF-171, or DA Form 2302, along with a copy of their most recent SF-50 and Senior System Civilian Evaluation Report to:

HQ, 22nd Area Support Group  
ATTN: DCO  
Unit 31201, Box 80  
APO AE 09630



- Shortly, the 21st TSC (PROV) IRACO will be recruiting for a GS-12. If interested, please ensure your ACCES records identify Kaiserslautern, Germany, as a preferred location.

## Personals -

- On Friday morning , 25 June 1999, USAREUR IRACO learned the tragic news that one of their local national auditors, **Mr. Al Sinnappoo**, passed away. After experiencing chest pains a few weeks ago, his doctor recommended balloon angioplasty. The procedure was performed in Mannheim and he looked and felt better. Another doctor reviewing his case wasn't satisfied with his condition and recommended he enter a heart specialty clinic near Freiberg. He was admitted on 24 June and experienced chest pains that same evening. His family stated that the doctors were unable to stabilize him and he passed away early the next morning.  
Al was 63, originally from Ceylon (as he would say), was married to a German lady (Helma), had one daughter (Esther), and spent many dedicated years working for the U.S. Army. Prior to joining USAREUR IRACO in 1993, he worked for the 21st TSC. He was a valuable employee and an all-around good guy who will be missed very much. This year (on 7 Oct) would have marked his 35th year working for the U.S. Army.
- We've been informed by MEDCOM that **Mr. Bob Nichols**, who retired from MEDDAC Ft. Belvoir, VA., after a stroke several years ago, suffered another stroke and died recently. Bob, who was a fixture in the AMEDD for many years, will be missed.

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*"A mind once stretched by a new idea never regains its original dimension."*

- - Oliver Wendell Holmes

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## *True or False?*

*(Answer from Page 11)*

### **False!**

There is no such position as Chief Justice of the Supreme Court. There is a chief justice of the United States, yes. He is one of the nine members of the Supreme Court, appointed like all the others by the president with the advice and consent of the Senate. The chief justice is not elected by his peers, and though he does get paid a little more - not much- he has just one vote, the same as each of the eight associate justices.

Therefore Oliver Wendell Holmes and Earl Warren were never Chief Justices of the Supreme Court. They were however, Chief Justices of the United States.

(Source: *The Dictionary of MisInformation*, Tom Burnam (1975), Thomas Y. Crowell Co., New York, NY.)

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## PUZZLES WE'VE SEEN

Decipher the hidden meaning in this set of letters -

**JUS 144 TICE**

*Answer to June's Puzzle -*  
**No Excuse For It**

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*"Lack of education is an extraordinary handicap when one is being offensive."*

- - Josephine Tey

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## ***LOVE, WEALTH, AND SUCCESS***

*Submitted by Mr. Henry Wheatley, IR Chief, Ft. Knox, KY*

A woman came out of her house and saw 3 old men with long gray beards sitting in her front yard. She did not recognize any of them, so she said "I don't think I know you, but you must be hungry. Please come in and have something to eat."

"Is your family home?", they asked.

"No", she said. "They are all out."

"Then we cannot come in", they replied.

In the evening when her husband came home, she told him what had happened. "Well ....", he said, "go tell them I am home and invite them in now."

The woman went out again to invite the men in. But one of them replied. "We don't go into a house together".

"Why is that?", she wanted to know. One of the old men explained: "His name is 'Wealth' ...", he said, pointing to one of his companions ... and pointing to the other one, he said "... he is Success' ... and I am 'Love'." Then he added, "Now go in and discuss with your husband which one of us you want in your home."

The woman went in and told her husband what was said. He was overjoyed. "How nice!", he said. "Since that is the case, let us invite Wealth ... let him come and fill our home with wealth".

But his wife disagreed ... "My dear, why don't we invite Success ... with success we can always expect wealth to come along later."?

Their daughter, who had been listening from another room had another suggestion ... "Would it not be better to invite Love ... so our home will be filled with love?"

"Good point", the husband conceded. "Well then, go out and invite Love to be our guest."

The woman went out and asked the 3 old men, "Which one of you is Love? Please come in and be our guest."

Love got up and started walking toward the house. The other two also got up and followed him. Surprised, the lady asked Wealth and Success: "I only invited Love ... why are you coming in?"

The old men replied together: "We are blind. Therefore, we depend upon Love to guide us. If you had invited Wealth or Success, one would still have to depend upon Love, and the other would have become lost trying to follow you. So, in order to survive, wherever Love goes, Wealth and Success will follow."

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*"The scientific theory I like best is that the rings of Saturn are composed entirely of lost airline luggage."*

**- - Mark Russell**

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## ***Jump Starting an ISO 9000 Internal Quality Audit Program***

***By Gary Dissette, Auditor, Crane Army Ammunition Activity***

Is your organization driven to continual system and process improvements to surpass current service or product quality? If so, it may want to consider ISO 9000 registration. The ISO 9000 international quality standard provides guidelines to establish a quality system based on quality assurance and quality controls over the life cycle of a service or product.

Since internal quality audits (IQAs) are an effective tool for managing an ISO 9000 quality system, your knowledge and experience as an auditor represents a powerful source of energy to the team achieving ISO 9000 registration. The article "ISO 9000 Means Big Time Consulting Opportunities" (<http://www.aicpa.org> click "Assurance" and "ISO 9000 Seminars" bullets) states: "ISO 9000 consulting is a value-added service that you can use to attract new clients or better serve existing ones. In the era where specialization equals success, ISO 9000 is a

specialization worth considering". I found this to be true in November of 1998 when my team established the ISO 9000 IQA program that helped our installation be the first Tier I Depot to be ISO 9002 certified by an independent third party.

Your experience in planning and conducting audits will help you quickly grasp the ISO 9000 IQA requirement needed to energize your quality system. The current ISO 9000 series of standards includes ISO 9001, 9002 and 9003. ISO 9001, the most stringent of the three standards, contains 20 elements:

<b>No.</b>	<b>ISO Element Title</b>	<b>No.</b>	<b>ISO Element Title</b>
4.1	Management Responsibility	4.11	Inspection, Measuring, & Test Equipment
4.2	Quality System	4.12	Inspection and Test Status
4.3	Contract Review	4.13	Control Non-Conforming Product
4.4	Design Control	4.14	Corrective and Preventive Action
4.5	Document and Data Control	4.15	Handling, Storage, Packaging, Preservation, and Delivery
4.6	Purchasing	4.16	Quality Records
4.7	Customer Supplied product	4.17	Internal Quality Audits
4.8	Product identification & Traceability	4.18	Training
4.9	Process Control	4.19	Servicing
4.10	Inspection and Testing	4.20	Statistical Techniques

Look over the titles of these elements. Do you see how a review of these elements in your organization can provide you with a comprehensive understanding of operations? This is why so many companies are using ISO 9000 as a tool to power their quality system to higher levels of performance. The ISO 9002 excludes 4.4 and 4.19 and ISO 9003 excludes 4.4, 4.6, 4.9, and 4.19. Your organization would choose the series that best fits its mission.

You can find general information on ISO 9000 at several web sites, such as <http://www.iso.ch/infoe/text.htm>, <http://www.asq.org/standcert/iso.html> or <http://www.aicpa.org>. Over the last two years most web sites with ISO 9000 information have taken access away from much of their detailed ISO 9000 Standards information and required subscription to view information that previously was readily accessible to all. There are other sources for detailed information, but they're expensive.

One of the best sources I found for the detailed information needed to establish an ISO 9000 IQA program is the ISO 9000 Standards Compendium. This is an excellent research tool to understand the ISO 9000 evaluative criteria. This compendium is available from Global Engineering (1-800-854-7179) for \$275. I advise waiting for the compendium version covering ISO 9001:2000 since major changes are planned for the ISO 9000 standard in the year 2000. A crosswalk from the current ISO 9001:1994 to the proposed 9001:2000 is available at <http://www.isogroup.simplenet.com/90012000.htm>.

In the 1996 ISO 9000 Standards Compendium you'll find thorough guidelines and standards on the Quality Vocabulary (ISO 8402), Quality Plans (ISO 10005), Configuration Management (ISO 10007), IQAs (ISO 10011), Measurement Equipment and Control Processes (ISO 10012) and Quality Manuals (10013). This 382 page Compendium also includes the advisory series ISO 9004 that explains how to apply the ISO 9000 elements to areas such as finance, safety and personnel management that are not reviewed under ISO 9001, 9002 or 9003.

Another excellent source of ISO 9000 detailed information is available by attending an ISO 9000 Lead Auditor Course. These courses last about 4 days and cost around \$1,600. An ISO 9000 Lead Auditor Course will prepare you to audit to the ISO 9000 standard by training you on the ISO 9000 Standard and by giving you a battery of daily exams that also prepare you for the ISO Lead Auditor Examination given at the end of the course. You'll increase your value to the organization in reaching ISO 9000 after completing this course. Passing the Lead IQA Auditor Exam also provides you added credibility with management in establishing the IQA program. You'll find the IQA requirements are less stringent than our government audit standards, so you'll quickly understand them. While others conducting IQAs for your organization may follow the less stringent IQA requirements, you'll need to apply government audit standards for your IQAs if you count them as audit projects.

Understanding the ISO 9000 standard takes more time and effort than attending a four-day course. An IQA focuses on ISO standards compliance, so it's critical you understand what to look for. The Lead IQA Auditor Course provides checklists that will be extremely beneficial to use in an audit program when you tailor them to your organization's processes. Combining the Lead IQA Audit Course with a comprehensive review of the ISO 9000 Standards Compendium will provide you with a wealth of knowledge and a good foundation to learn and apply ISO 9000 Standards to any operation.

The ISO 10011, Guidelines for Auditing Quality Systems, provides you core procedures to be applied during an IQA. Your IQAs will be limited scope reviews of operations using the ISO standard as your evaluative criteria. In this Standard you'll see many of the same requirements we have for internal audits such as holding entrance and exit conferences, documenting findings, and preparing annual plans. According to the ISO 9000 Compendium there are three essential questions you need to answer during an IQA:

- a. Are the processes defined and the procedures appropriately documented?
- b. Are the processes fully deployed and implemented as documented?
- c. Are the processes effective in providing the expected results?

Did you notice that two of the questions are on documentation? The ISO 9000 Standard provides extensive focus on documentation for all of the elements. You'll find during your IQAs that several elements in the ISO 9000 standard apply to other elements, such as Quality Records (4.16). This is important to realize when conducting your IQAs. When you're ready to jumpstart the system and do your first few IQAs I recommend working in teams with either an experienced IQA auditor, experienced quality assurance inspectors or engineers, and your quality office representative. The team approach will provide you valuable insight in the QA processes and in

problems that they see on a regular basis. You'll find many of these team members eager to support and connect to ISO 9000 since it supports continuous improvements in the organization operations.

Most organizations that achieved ISO 9000 registration have trained several IQA auditors; some companies have trained up to 10 percent of their workforce as IQA auditors. Most of those selected may know little about adequate documentation when performing an interview, analyzing procedures, or managing a team of IQA auditors, so they'll need additional training other than what they receive at an IQA audit course to achieve peak performance.

Optimally, the organization will provide any selected IQA auditors on-the-job training with a skilled IQA auditor to gain a general understanding of the ISO 9000 standards and how to conduct an IQA. Your input in this IQA training plan can be the difference between igniting the spark to create an energetic program or lighting a powder keg that will cripple the IQA program because those assigned are demoralized from a lack of training and support in completing their assigned additional IQA duties.

Are you thinking - How can I possibly meet this added responsibility? Why should I? I have too much to do already! Do those thoughts come to mind immediately? They did to me! When our Commanding General told installations that competing for future workload would require ISO 9000 registration, I was motivated to get our registration! Considering the trend to privatize, any action that may give your organization a competitive advantage is worth considering when competing for future workload. There are three other major benefits your audit office may receive in getting involved. First, you have another golden opportunity to show management how your audit office's experience can benefit their operations. Second, your auditors will learn more about your installation's operations and have a better real-time pulse of quality events in your organization. Finally, you'll enhance management's view of you as a team player working toward a common goal.

Where do you start? First get educated on ISO 9000. Then get management support by convincing them you want to help. Once they are convinced, prepare yourself and your team members through training; then, develop your plans just as you would for an annual program. I recommend you plan ahead and do the following to get started:

- a. Get management's commitment to provide IQA team members for limited periods (1-2 weeks) for IQAs.
- b. Get the support of your Quality Assurance or Total Quality Management Office.
- c. Attend a Lead IQA Auditor Course.
- d. Prepare to teach upper management and those you audit the ISO standard requirements.
- e. Contact someone that has established an ISO 9000 IQA program for advice.

You'll find ISO 9000 can expand your knowledge of operations and management controls, provide management another example of how you're a vital element in management's success, and lead you to identify areas for improvement. I've found that ISO 9000 has



jumpstarted my audit program to new levels of performance. While the journey has been difficult, it's also been rewarding. Happy IQA trails!

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## Management Control Corner

By

*Mr. Mike Petty, Program Manager for Management Control*

**Army Management Control Administrators Symposium** - We held our session on August 27, 1999, in conjunction with the IR Symposium this year. This session was at the Renaissance Cottonwood Resort, Scottsdale, AZ. This year we had 65 attendees. What struck me this year was the diversity of our attendees. They truly represented the total Army. Our agenda was packed with information about current management control issues within the Army. A copy of the agenda and presentation given at this session will be on our home page shortly. Next year we are planning to hold this session at the Camelback in conjunction with the IR Symposium. Stay tuned for more information as it develops.

**Management Control Administrators' (MCA) Course** - The following is the course schedule for the remainder of calendar year 1999:

Course Description: The purpose of this two-day course is to provide Army Management Control Administrators with the comprehensive training necessary for them to perform their job. This training includes developing a Management Control Plan, conducting effective management control evaluations, identifying material weaknesses and establishing plans to correct them, and preparing annual statements of assurance.

Course Schedule/Location:	Nov 1-2	San Antonio, TX
	Nov 3-4	Orlando, FL

Tuition: \$250.00 per student

USDA Contact: Ms. Karen Pressley  
(202) 401-9401 or (800) 326-7813  
karen\_pressley@grad.usda.gov

**FY 1999 Annual Statements** - As a reminder, MACOMs are to provide us with their annual statements by September 30, 1999 and the suspense for HQDA staff agencies is October 15, 1999. At the MACOM and HQDA staff level Internal Review Offices are required to review their principals annual statement. You should be an active participant in its development.

**Comings and Goings** - Welcome to Mr. Michael Mowry. Mike is on a developmental assignment to us from USAAA. He brings an audit perspective to my organization that is refreshing.

Farewell to Cadet Maria Robles. Maria is an ROTC Cadet from University of Texas El Paso. She was with us for three weeks to help put on our symposium. She did a bang-up job putting everything together for us. Maria is a great example of the young officers who are destined to be the future leaders of the Army.

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*"Every man is guilty of all the good he didn't do."*

- - Voltaire

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## Auditor Humor

THE FOLLOWING ARE ACTUAL STATEMENTS MADE DURING COURT CASES:

#1. **Judge:** I know you, don't I?

**Defendant:** Uh, yes.

**Judge:** All right, tell me, how do I know you?

**Defendant:** Judge, do I have to tell you?

**Judge:** Of course, you might be obstructing justice not to tell me.

**Defendant:** Okay, I was your bookie.

-----  
#2. From a defendant representing himself...

**Defendant:** Did you get a good look at me when I stole your purse?

**Victim:** Yes, I saw you clearly. You are the one who stole my purse.

**Defendant:** I should have shot you while I had the chance.

-----  
#3. **Judge:** The charge here is theft of frozen chickens. Are you the defendant?

**Defendant:** No, sir, I'm the guy who stole the chickens.

-----  
#4. **Lawyer:** How do you feel about defense attorneys?

**Juror:** I think they should all be drowned at birth.

**Lawyer:** Well, then, you are obviously biased for the prosecution.

**Juror:** That's not true. I think prosecutors should be drowned at birth, too.

-----  
#5. Lawyer questioning his client on the witness stand:

**Plaintiff's Lawyer:** What doctor treated you for the injuries you sustained while at work?

**Plaintiff:** Dr. J.

**Plaintiff's Lawyer:** And what kind of physician is Dr. J?

**Plaintiff:** Well, I'm not sure, but I remember that you said he was a good plaintiff's doctor.

-----  
#6. **Judge:** Is there any reason you could not serve as a juror in this case?

**Juror:** I don't want to be away from my job that long.

**Judge:** Can't they do without you at work?

**Juror:** Yes, but I don't want them to know it.

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#7. **Lawyer:** Tell us about the fight.

**Witness:** I didn't see no fight.

**Lawyer:** Well, tell us what you did see.

**Witness:** I went to a dance at the Turner house, and as the men swung around and changed partners, they would slap each other, and one fellow hit harder than the other one liked, and so the other one hit back and somebody pulled a knife and a rifle that had been hidden under a bed, and the air was filled with yelling and smoke and bullets.

**Lawyer:** You, too were shot in the fracas?

**Witness:** No sir, I was shot midway between the fracas and the navel.

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#8. **Defendant:** Judge, I want you to appoint me another lawyer.

**Judge:** And why is that?

**Defendant:** Because the Public Defender isn't interested in my case.

**Judge (to Public Defender):** Do you have a comment on the defendant's motion?

**Public Defender:** I'm sorry, Your Honor. I wasn't listening.

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#9. **Judge:** Please identify yourself for the record.

**Defendant:** Colonel Ebenezer Jackson.

**Judge:** What does the 'Colonel' stand for?

**Defendant:** Well, it's kinda like the 'Honorable' in front of your name-not a damn thing.

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#10. **Judge:** You are charged with habitual drunkenness. Have you anything to say in your defense?

**Defendant:** Habitual thirstiness?

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## The Next Edition of The IR Journal

Our next edition of *The IR Journal* will be published during December 1999. Articles and information for the June edition should be received on or before 26 November 1999. Input should be forwarded via e-mail whenever possible. Also, please use New Times Roman, 10 pt text.

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## *The IR Journal*

is an unofficial newsletter for the Army Internal Review community published by the Office of the Deputy Assistant Secretary of the Army (Financial Operations). Its objective is to keep readers informed of issues that may affect or have affected the Army's Internal Review Program, the internal audit profession or auditing in the Federal government. *The IR Journal* will not be used to announce new or revised Army policy. It will however, often discuss new or changed policies subsequent to official announcement. Finally it will seek to entertain its readers.

The editorial staff would like to hear your comments or ideas on improving *The IR Journal*. We would also ask you to submit articles, questions, good news, lessons learned, innovative audit techniques employed, recommendations for training, or letters to the editor.

We ask DA Staff and MACOM Internal Review offices to provide us with information on promotions, awards, new assignments, births, marriages, etc. This is **your** publication, so please help us serve you better.

Please feel free to contact our editorial staff, **Bob Barnhart** and **Michelle Doyle**, at any time. They can be reached at DSN 225-2909, COMM (703) 695-2909/7693; FAX - DSN 223-1028, COMM (703) 693-1028; or e-mail BARNHRW@hqda.army.mil or DOYLEM@hqda.army.mil. Comments or questions pertaining to the Management Control Corner can be directed to **Mike Petty** at DSN: 225-3225; COMM (703) 695-3225; or e-mail PETTYTM@hqda.army.mil. Mike's FAX number is the same as shown above. *The IR Journal* is available and downloadable from the Internal Review Homepage at <http://www.asafm.army.mil> - (click on Internal Review).



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